

Grant Agreement
State of Alaska Department of Health & Social Services (DHSS)
Denali Commission Funds
Federal Fiscal Year 2006

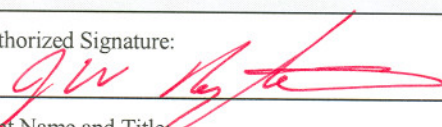
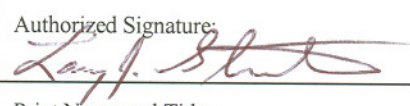
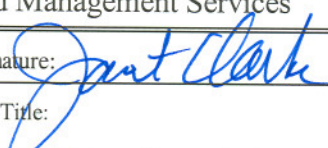
Financial Assistance Award: 0136-DC-2004-I22	Grant #: 06-4-C- 5010 Award Amount: \$500,000	Period of Performance: June 30, 2007 Location of Project: Fairbanks
GRANTEE (Name & Address)		DEPARTMENT
Family Centered Services of Alaska 620 5 th Avenue Fairbanks, AK 99701		Department of Health and Social Services Finance and Management Services/Facilities Section PO Box 110650 Juneau, Alaska 99811-0650
Contact Person: John W Regitano, Executive Director Telephone: (907)474-0890		DHSS Contact Person: Michael Frawley, Grant Administrator II Telephone: (907) 465-3942

Grant Award:

The Department of Health and Social Services, hereafter referred to as the GRANTOR, has awarded \$500,000 from the grant funds appropriated through the Denali Commission in FY04, as described in RPL 064-0245, to Family Centered Services of Alaska, hereafter referred to as GRANTEE, in order to expand and renovate a new behavioral health center

Brief Description of Project:

The Project consists of expansion and renovation of a new behavioral health center, and is located in Fairbanks. This Project is in accordance with this grant agreement and the provisions of proposal documentation submitted to the Department of Health and Social Services. A copy of the proposal is attached. All documents named here are hereby incorporated by reference as part of this grant agreement.

GRANTEE	DEPARTMENT OF HEALTH AND SOCIAL SERVICES
Authorized Signature:  Date: 5/22/06	Authorized Signature:  Date: 5/30/06
Print Name and Title: John W Regitano, Executive Director	Print Name and Title: Larry J. Streuber, Facilities Section Chief Finance and Management Services
	Authorized Signature:  Date: 5/30/06
	Print Name and Title: Janet Clarke, Assistant Commissioner Finance and Management Services

ATTACHMENT A

STANDARD PROVISIONS

ARTICLE 1. DEFINITIONS

"Grantor" means the State of Alaska Department of Health and Social Services.

"Grantee" means Family Centered Services of Alaska

ARTICLE 2. GRANTEE STATUS

GRANTEE and any agents, employees or officers of GRANTEE act in an independent capacity and are not employees or agents of the GRANTOR in the performance of this Grant Agreement. No joint venture or partnership is formed as a result of this Grant Agreement. This Grant Agreement is solely for the benefit of the parties to the Grant Agreement and gives no right to any other party.

ARTICLE 3. INDEMNIFICATION

The GRANTEE shall indemnify, hold harmless and defend the GRANTOR, their officers, agents, and employees from all liability, including costs and expenses, for all actions or claims resulting from injuries or damages sustained by any person or property arising directly or indirectly as a result of any error, omission, or negligent act of the GRANTEE, its contractors, or anyone directly or indirectly employed by GRANTEE in the performance of this Agreement.

All actions or claims, including costs and expenses, resulting from injuries or damage sustained by any person or property arising directly or indirectly from GRANTEE's performance under this Agreement which are caused by the GRANTOR, by the GRANTEE, or by the State and the GRANTEE shall be apportioned on a comparative-fault bases. Any such joint negligence on the part of the GRANTOR or the GRANTEE must be a direct result of active involvement by the GRANTOR or the GRANTEE.

ARTICLE 4. LEGAL AUTHORITY

The GRANTEE certifies that it possesses legal authority to accept grant funds from the GRANTOR and to execute the activities described in this Grant Agreement.

ARTICLE 5. WAIVER

No provision of this Grant Agreement may be waived unless agreed to in advance by the GRANTOR in writing. The GRANTOR's failure to insist upon strict performance of any provision of the Grant Agreement, or to exercise any right based upon a breach thereof, or the acceptance of any performance during such a breach, shall not constitute a waiver of any right under this Grant Agreement.

ARTICLE 6. RECORDS

All records related to this Agreement, including, but not limited to, documents, books, photographs, inspection reports, computerized data files, and other papers of whatever kind or description (hereinafter called "records") whether or not developed or originated by GRANTEE, which are reasonably required in the performance of, or to document the performance of this Agreement, are the sole property of the GRANTOR. GRANTEE, upon the GRANTOR's written request, shall deliver immediately all records to the GRANTOR or as the GRANTOR otherwise dictates in writing. The delivery of records to the GRANTOR shall be at the GRANTEE's expense. GRANTEE may not condition in any manner whatsoever the delivery of records. Any records that GRANTEE has retained on microfilm or otherwise condensed, GRANTEE must reproduce promptly, at no cost, upon the GRANTOR's written request.

GRANTEE shall permit any employee of the GRANTOR or any person designated by the GRANTOR, at any reasonable time during regular business hours, to examine and make audits of any and all of the records. Such persons will safeguard the confidentiality of all client records, and will not disclose financial, clinical or other personal client data to the public, or to others within the GRANTOR except as on a documented need to know basis. Such persons may, at the request of the GRANTEE, sign an affidavit to this effect.

Unless all records have been delivered to the GRANTOR, the GRANTEE shall retain all records in its possession relating to the performance of this Grant Agreement for a period of 3 years from the completion of the project or until final resolution of any audit findings, claims, or litigation related to the grant, whichever is later.

ARTICLE 7. REPORTS

The GRANTEE shall furnish the GRANTOR with such periodic reports as it may request on such forms and at such times as it may require. Such periodic reports shall pertain to the activities undertaken pursuant to this Grant Agreement, including the Quarterly Report and

the final closeout report, the costs and obligations incurred in connection therewith, and any other matters covered by this Grant Agreement.

ARTICLE 8. ASSIGNABILITY

The GRANTEE may not assign or delegate this Grant Agreement or any part of it, or any right to any compensation or reimbursement paid under it without the express written consent of the GRANTOR.

ARTICLE 9. FINANCIAL MANAGEMENT AND ACCOUNTING

The GRANTEE shall spend monies awarded under this grant only for the purposes specified in this Grant Agreement. The GRANTEE shall establish and maintain a financial management and accounting system that conforms to generally accepted accounting principles and complies with applicable state and federal requirements. GRANTEE shall keep such other records as the GRANTOR may require. Such records shall include information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income. The GRANTEE shall also maintain records pertaining to project performance and efforts to comply with the provisions of the Grant Agreement.

The GRANTEE shall comply with the audit requirements established by 02 AAC 45.010. The Grantee agrees to be immediately subject to the audit requirements set forth in Attachment D. The GRANTEE shall provide the GRANTOR with a copy of any audit report(s) conducted of the GRANTEE's administration of these grant funds. An audit report, provided in accordance with this article, will be submitted to the GRANTOR within 30 days of its receipt by the GRANTEE.

The GRANTEE shall maintain appropriate systems, procedures and documentation to assure its compliance with respect to audits, as specified above. The GRANTEE will take appropriate action to assure that any audits required are completed.

The GRANTEE shall repay to the GRANTOR any costs pertaining to this grant determined not to be allowable as a result of the resolution of any findings or questioned costs identified in the audits required by this article. Upon demand, the GRANTEE shall repay to the GRANTOR any disallowed costs related to a sub-grant of funds under this agreement resulting from the resolution of any audit findings. Recovery of funds from the GRANTEE shall occur within thirty (30) days of demand. Failure of the GRANTEE to repay any disallowed amounts is a breach of this grant agreement and may result in action taken by the GRANTOR as provided for under Article 18 (Noncompliance by GRANTEE).

ARTICLE 10. AMENDMENTS AND MODIFICATIONS

This Agreement, including all attachments and documents, which by reference are incorporated herein, contains the entire Agreement between the GRANTOR and the

GRANTEE. This Agreement may not be modified or amended except in writing signed by both parties and any purported amendment or modification shall be without legal effect until reduced to writing and signed by both parties.

ARTICLE 11. THIRD-PARTY RELATIONSHIPS

None of the work specified in the Grant Agreement may be contracted by the GRANTEE to a third party without the prior approval of the GRANTOR. GRANTOR's approval of GRANTEE's contracting shall not create any contractual relationship between the GRANTOR and the third party. The GRANTEE shall remain fully obligated under the provisions of this Grant Agreement notwithstanding its contracting to any third party the performance of all or any part of the work described herein.

In the event that the GRANTEE contracts for third party services, the GRANTEE will require that the third party certify that it is authorized to do business in the State of Alaska and that it has obtained the necessary bonding in an amount approved by the GRANTOR or required by applicable federal regulations.

The GRANTEE shall bind all third party contractors to each and every applicable Grant Agreement provision. Each contract with third parties for work to be performed under this Grant Agreement shall specifically include a provision indemnifying the GRANTOR against damages or claims for damages arising from the third-party's performance or activities under its contract with GRANTEE.

ARTICLE 12. CONFLICT OF INTEREST

No officer or employee of the GRANTOR; no member, officer, or employee of the GRANTEE or its designees or agents; no member of the governing body of the jurisdiction in which the project is undertaken or located; and no other official of such locality or localities who exercises any functions or responsibilities with respect to the project during his or her tenure, shall have any personal or pecuniary gain or interest, direct or indirect, in any contract, subcontract, or the proceeds thereof, for work to be performed in connection with the activities assisted under this Grant Agreement.

The GRANTEE shall incorporate a provision prohibiting such interest pursuant to the purpose of this provision in all contracts or subcontracts funded through this grant.

ARTICLE 13. POLITICAL ACTIVITY

No portion of the funds provided herein under shall be used for any partisan political activity or to further the election or defeat of any candidate for public office or to influence the approval or defeat of any ballot issue or to lobby any State agency or member or employee of the legislature.

This grant is subject to the provisions of AS 37.05.321, which is titled: "Restrictions of Use." A grant or earnings from a grant made under AS 37.05.315—37.05.317 may not be used for the purpose of influencing legislative action. In this section influencing legislative action means promoting, advocating, supporting, modifying, opposing, or delaying or seeking to do the same with respect to the legislative action but does not include the provision of information, statistics, studies or analyses in written or oral form or format. A grant or earnings from a grant made under AS 37.05.315—37.05.317 may not be used for purposes of travel in connection with influencing legislative action unless pursuant to a specific request from a legislator or legislative committee.

GRANTEE shall incorporate in all contracts with third parties, a provision prohibiting such expenditure of funds and shall require certification by such parties of compliance with such provision.

ARTICLE 14. NOTICES

The GRANTEE shall comply with all public notices or notices to individuals required by applicable State and Federal laws and shall maintain a record of this compliance.

ARTICLE 15. PROHIBITION AGAINST PAYMENT OF BONUS OR COMMISSION

The assistance provided under this Grant Agreement shall not be used in payment of any bonus or commission for the purpose of obtaining approval or concurrence under this Agreement provided, however, that reasonable fees of a bona fide technical consultant, managerial, or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as project costs.

ARTICLE 16. TERMINATION BY MUTUAL AGREEMENT

This Grant Agreement may be terminated, in whole or in part, at any time that both parties agree in writing that continuation of the agreement is not feasible or would not produce beneficial results commensurate with the further expenditure of funds. The termination shall not be valid unless both parties agree in writing, in advance, regarding all conditions of termination.

The GRANTEE shall not incur new obligations for the terminated portion after the effective date, and shall cancel as many outstanding obligations as possible. The GRANTOR shall make funds available to the GRANTEE to pay for allowable expenses incurred before the effective date of termination.

ARTICLE 17. TERMINATION BY GRANTOR

The GRANTOR may terminate this Agreement for any reason upon 30 days written notice to GRANTEE.

Upon receipt of notice of termination, GRANTEE shall not incur new obligations and shall cancel as many outstanding obligations as possible. The GRANTOR shall make funds available to the GRANTEE to pay for allowable expenses incurred before the effective date of termination.

ARTICLE 18. NONCOMPLIANCE BY GRANTEE

If the GRANTOR determines that the GRANTEE has failed to comply with the terms of this Grant Agreement, or failed to use the grant for only those purposes set forth herein, the GRANTOR may, at its complete discretion, take any of the following actions:

- A. Probation** - If the GRANTOR determines the noncompliance to be of a minor nature and that the GRANTEE's work can be improved or corrected, the GRANTEE may be placed on probation. The GRANTOR will notify GRANTEE in writing by certified mail of the reason for the probation, the corrective action required for removal from probation status, and the time by which such corrective action must be taken. GRANTEE will be on probation until its performance is in compliance with the terms of the Agreement. If GRANTEE does not correct its noncompliance, the GRANTOR may suspend the GRANT or terminate the Agreement;
- B. Suspension** - After written notice to the GRANTEE sent by certified mail, the GRANTOR may suspend the grant and withhold any further payment or prohibit the GRANTEE from incurring additional obligations of grant funds, pending corrective action by the GRANTEE or a decision to terminate. Such written notice shall state the reason for the suspension, the effective date of the suspension and the necessary corrective action. The GRANTEE must receive the response by the GRANTOR to the notice within fifteen (15) days of receipt of the written notice;
- C. Termination**—The GRANTOR may terminate the grant, in whole or in part, at any time before the final grant payment is made. The GRANTOR shall promptly notify the GRANTEE in writing by certified mail of its determination to terminate, the reason for such termination, and the effective date of the termination. Payments made to the GRANTEE or recoveries by the GRANTOR shall be in accordance with the legal rights and liabilities of the parties.

ARTICLE 19. WITHDRAWAL OR REDUCTION OF FUNDING

In the event funding from State, Federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Grant Agreement and prior to normal completion, the GRANTOR may terminate the Agreement, reduce funding, or, re-negotiate subject to those new funding limitations and conditions. A termination under this Article shall be implemented pursuant to the same conditions as a termination under Article 17 (Termination by the GRANTOR) of this Attachment.

ARTICLE 20. RECOVERY OF FUNDS

In the event of a default or violation of the terms of the Grant Agreement by the GRANTEE, the GRANTOR may institute actions to recover all or part of the project funds paid to the GRANTEE. Repayment by the GRANTEE of grant funds under this recovery provision shall occur within (30) thirty days of demand.

All remedies conferred on the GRANTOR by this Agreement, State law or any other instrument or Agreement are cumulative, not exclusive, and may be exercised concurrently or consecutively at the GRANTOR's option.

ARTICLE 21. DISPUTES

Any dispute arising under this Agreement that is not resolved by mutual consent shall be resolved in accordance with regulations adopted by the GRANTOR for contract disputes or controversies. The regulations may be found under Alaska Statute 7 AAC 78.

ARTICLE 22. INSURANCE

Without limiting GRANTEE's indemnification, it is agreed that the GRANTEE shall purchase at its own expense and maintain in force at all times during the performance of services under this Agreement the following policies of insurance. Insurance policies required to be maintained by GRANTEE shall name the GRANTOR, an additional insured, for all coverage except Worker's Compensation and Professional Liability Insurance. GRANTEE and its contractors agree to obtain a waiver, where applicable, of all subrogation rights against the GRANTOR, its officers, officials, employees, and volunteers for losses arising from work performed by the GRANTEE and its contractors for the GRANTORS. Where specific limits are shown, it is understood that they will be the minimum acceptable limits. If the GRANTEE's policy contains higher limits, the GRANTOR and the State will be entitled to coverage to the extent of such higher limits. Certificates of Insurance stating the insurance company, type of coverage, limits, effective date, expiration date, additional insured, and waiver of subrogation must be furnished to the GRANTOR prior to execution of this agreement by the GRANTOR and must provide for a thirty (30) day prior notice of cancellation, non-renewal or material change. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach and ground for termination of the grant pursuant to Article 17 (Termination by the GRANTOR) of this Grant Agreement.

- A. Workers' Compensation Insurance:** The GRANTEE shall provide and maintain, for all employees of the GRANTEE engaged in work under the Agreement, Workers' Compensation Insurance as required by AS 23.30.045. The GRANTEE shall be responsible for ensuring that any contractor who directly or indirectly provides services under this Agreement has adequate Workers' Compensation Insurance for its employees. Where applicable, coverage for all federal acts (i.e., United States Long Shore and Harbors and Jones Acts) must also be included.

B. Comprehensive (Commercial) General Liability Insurance: The GRANTEE shall provide and maintain Comprehensive (Commercial) General Liability Insurance with coverage limits not less than \$1,000,000 combined single limit per occurrence and annual aggregates where generally applicable and shall include premises-operations, products/completed operations, broad form property damage, blanket contractual and personal injury endorsements.

C. Comprehensive Automobile Liability Insurance: The GRANTEE shall provide and maintain Comprehensive Automobile Liability Insurance covering all owned, hired, and non-owned vehicles with coverage limits not less than \$100,000 per person/\$500,000 per occurrence bodily injury and \$50,000 property damage, or \$500,000 combined single limit per accident.

D. Professional Liability Insurance: If applicable, the GRANTEE shall provide and maintain Professional Liability Insurance covering all errors, omissions or negligent acts of the GRANTEE, its contractors or anyone directly or indirectly employed by them, made in the performance of this Agreement which result in financial loss to the Grantor. Limits required are per the following schedule:

Grant Amount	Minimum Required Limits
Under \$100,000	\$100,000 per occurrence/annual aggregate
\$100,000 - \$499,999	\$250,000 per occurrence/annual aggregate
\$500,000 - \$999,999	\$500,000 per occurrence/annual aggregate
\$1,000,000 or over	Negotiable

The professional liability insurance requirement may be substituted or waived at the sole discretion of the GRANTOR.

E. Bond Requirements: Before the GRANTEE enters into a contractual arrangement with a contractor to provide any tasks in connection with this agreement, the GRANTEE shall require the Contractor to comply, at a minimum, with the bond provisions specified in AS 36.25.010 (a) and (b), and Article 3 (Indemnification).

ARTICLE 23. GOVERNING LAW

Any civil action arising from this grant agreement shall be brought before the Superior Court for the Judicial District of the State of Alaska in Juneau. The laws of the State of Alaska shall govern the rights and obligations of the parties under this grant agreement.

ARTICLE 24. COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

The GRANTEE shall perform its work in compliance with all appropriate laws and regulations including the Americans with Disabilities Act of 1990. It is the responsibility of

the GRANTEE to ensure that any required Federal, State or local permits are obtained. GRANTEE shall also provide a copy of a current Alaska Business License, if required by law to have a business license. The GRANTEE shall report, or cause a report to be submitted, to the Alaska Department of Labor as required by AS 36.05 Wages and Hours of Labor, AS 36.10 Employment Preference and Title 8, Chapter 30 Public Contracts, of the Alaska Administrative Code.

The GRANTEE shall establish uniform purchasing practices and procedures for the procurement of goods and services as defined in 07 AAC 078.270. The practices and procedures must be acceptable to the grant agency. The practices and procedures shall provide that:

- A. For purchases of non-expendable personal property with a value of \$5000 or more, or for the award of a contract with a value of \$5000 or more, the grantee will require three competitive price quotations from potential suppliers;
- B. The grantee will retain written records of price quotations in accordance with 7 AAC 78.250 and will include in the written records; specifications, suppliers' names and addresses, and the prices quoted;
- C. The DEPARTMENT also requires that if criteria other than lowest cost bid is used for contract award, the criteria and the rating system must be fully described in the request for proposals.

ARTICLE 25. BUDGET FLEXIBILITY

Notwithstanding the provisions of Article 10 (Amendments and Modifications) of this Agreement, the GRANTEE may revise the project budget in Attachment C without a formal amendment to this Agreement. Revisions that increase a line item by 20% or \$50,000, whichever is less, require prior approval by the GRANTOR (7AAC 78.260). Such budget revisions shall be limited to changes to existing budget line items. GRANTEE shall notify GRANTOR of revisions prior to next payment request. Budget revisions may not be used to increase any budget item for project administrative expenses.

Changes to the budget beyond the limits authorized by this provision may only be made by a formal amendment to this Agreement.

ARTICLE 26. EQUAL EMPLOYMENT OPPORTUNITY (EEO)

The GRANTEE may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy or parenthood. The GRANTEE shall post in a conspicuous place, available to employees and applicants for employment, a notice setting out the provisions of this paragraph.

The GRANTEE shall state, in all solicitations or advertisements for employees to work on State funded projects, that it is an equal opportunity employer and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy or parenthood, as set forth in Attachment E.

The GRANTEE shall include the provision of this EEO Article in every contract relating to this Grant Agreement and shall require the inclusion of these provisions in every Agreement entered into by any of its contractors, so that those provisions will be binding upon each contractor and subcontractor.

ARTICLE 27. PUBLIC PURPOSES

The GRANTEE agrees that the benefits of the project activities to which this Grant Agreement relates shall be made available without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy or parenthood.

ARTICLE 28. SEVERABILITY

If any court of rightful jurisdiction holds any provision under this Grant Agreement or its application to any person or circumstance invalid, this invalidity does not affect other provisions of the Agreement, which can be given effect without the invalid provision.

ARTICLE 29. CLOSE-OUT

The GRANTOR will advise the GRANTEE to initiate close-out procedures when the GRANTOR determines, in consultation with the GRANTEE, that there are no impediments to close-out and that the following criteria have been met or soon will be met:

- A. All costs to be paid with grant funds have been incurred with the exception of closeout costs and any unsettled third-party claims against the GRANTEE. Costs are incurred when goods and services are received or contract work is performed.
- B. The last required performance report has been submitted. The GRANTEE's failure to submit a report will not preclude the GRANTOR from effecting closeout if it is deemed to be in the GRANTOR's interest. Any excess grant amount that may be in the GRANTEE's possession shall be returned by the GRANTEE in the event of the GRANTEE's failure to furnish or update the report.
- C. Other responsibilities of the GRANTEE under this Grant Agreement and any closeout Agreement and applicable laws and regulations appear to have been carried out satisfactorily or there is no further GRANTOR interest in keeping the grant open for the purpose of securing performance.

ATTACHMENT B

SCOPE OF WORK

ARTICLE 1. PURPOSE

The purpose of this grant is to provide funds to the GRANTEE for the following project to expand and renovate a new behavioral health center. Grant funds may only be used for eligible project activities identified below and in accordance with the costs identified in Attachment C of this grant agreement, or as otherwise approved in writing by the GRANTOR.

As identified by the GRANTEE in the grant proposal, to expand and renovate a new behavioral health center is proposed to be funded as part of this grant agreement:

Attachment C to this grant agreement provides a budget for the construction project.

ARTICLE 2. PROJECT DESCRIPTION

Grant funds provided as part of this grant award are intended to fund the development activities indicated in Article 1 (Purpose) associated with the expansion and renovation of a new behavioral health center.

The project is to be located in Fairbanks, and is commonly referred to as:

Family Centered Services of Alaska

ARTICLE 3. TASKS REQUIRED PRIOR TO FIRST DISBURSEMENT (WORK PLAN)

The GRANTEE shall provide a work plan to the GRANTOR for approval prior to disbursement of any grant funds. The work plan shall contain the following:

- A. A detailed projected budget by line item showing the proposed use of all funds for the project, including the required minimum 50% of project cost share match from other sources other than this grant.
- B. Written description of the work to be completed with these grant funds.
- C. A project schedule, which may be amended from that submitted as part of the grant proposal, proposed for the completion of the project.

ARTICLE 4. PROJECT START-UP AND COMPLETION TIME FRAMES



- A. Site Control.** When applicable, the GRANTEE shall acquire the legal right to occupy and use the subject property for the purposes of this grant, and further assure that there is legal access to such property prior to the first disbursement of funds under this grant.

In the event grant funds are to be utilized for the purchase or acquisition of the subject property, an option to purchase or an earnest money agreement will satisfy the requirement for site control for the purpose of disbursement of funds for the purchase or acquisition of the property.

- B. Project Start-Up.** If the Scope of Work includes renovation or new construction activities, the renovation or new construction activities shall begin within six (6) months of the date on which this Agreement is executed by the GRANTOR
- C. Period of Performance.** The POP for this project is June 30, 2007. Work must be 100% complete by this date. The POP date can be extended if the Grantee requests an extension and if good cause can be shown to do so.

Project completion for this purpose shall be defined as the issuance of:

- (1) For projects involving renovation activities, a final unconditional Certificate of Occupancy issued by the appropriate municipal, city, or borough authority, or, if in an area where a Certificate of Occupancy is not issued, a copy of a final inspection report completed by the project architect;

In the event that the scope of work was such that a project architect was not employed in the project's development, the GRANTEE shall provide a written certification, signed by the Project Manager and/or GRANTEE's Executive Director or designated grant signor which certifies that all rehabilitation activities were completed in accordance with the original scope of work proposed, or amendments approved by the GRANTOR, and that the Project is 100% complete;

- (2) A satisfactory final inspection by the GRANTOR, or its designee, which evidences that the project has been 100% completed in accordance with the GRANTEE's proposal and Scope of Work proposed in this grant agreement;
- (3) Final draw down disbursement and close out documents for the project;
- (4) For Planning and Design only projects, a complete set of approved drawings that are stamped and signed by the appropriate discipline are provided to the GRANTEE along with all other documents necessary to bid the project accordingly.

ARTICLE 5. REPORT REQUIREMENTS

The GRANTEE shall establish and maintain a record of all financial transactions associated with the grant activities.

The use of grant funds in any manner contrary to the terms and conditions of this Agreement may result in the subsequent revocation of the grant and any balance of funds under the grant. In addition, the GRANTEE may be required to return any, or all, grant funds provided to the GRANTEE by the GRANTOR.

In addition to any reports and data required by other parts of this Grant Agreement, the GRANTEE shall submit the following reports to GRANTOR:

A. Quarterly Project Reporting.

Within 15 days of the close of the first full calendar quarter and all subsequent quarters until such time that the grant is closed following execution of this agreement and at quarterly intervals thereafter, reports must be forwarded to the Department of Health and Social Services utilizing the attached forms Project Narrative Report form 642, attachment F , Quarterly Project Financial Report form 641A and 641B (Project Performance Analysis (PPA)) Attachment G provided by the DEPARTMENT which contain the following:

1. The disposition of grant funds and analysis by budget category as outlined this grant agreement and defined in the PPA form.
2. Total interest earned, if any, on grant funds provided during the reporting period;
3. Summary of project schedule;
4. Summary of problems encountered;
5. Summary of conclusions and recommendations.

In the event this project entails general construction labor, an Annual Labor Type, Residence, & Wage Report form 640, attachment H must be submitted to the GRANTOR annually. This must be completed prior to November 1st each year.

In conjunction with 1 through 5, the GRANTEE shall provide project photographs which evidence the work completed to date. Specifically, the Grantee will provide a minimum of three dated photographs per reporting period such that a complete record of the construction is maintained over time, from "before", showing the situation before the start of construction , to "during", showing work proceeding on the project, and "after", to show the finished project. Photos shall be provided in a digital format. A short description of the activity and names of those in the photos shall be provided.

- B. Award Closeout.** The Award Closeout must be completed within 60 days of the end of the grant performance period, or within 60 days of the completion of the project, whichever is earlier. The project closeout process includes the

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submission of both a final narrative report and financial status report, Total Project Final Expenditure break down will be also be required as well as a Labor Type Residence and Wage Report form 640 in the event general construction was completed on this project. The GRANTEE must also request any remaining funds for expenditures under this award during this 60-day period. Please refer to the GRANTOR for guidance on additional project closeout details.

ARTICLE 6. PERMITS AND INSPECTIONS

The GRANTEE shall be responsible for obtaining the necessary permits, inspections and written reports during construction or renovation of subject property. The GRANTOR reserves the right to review the adequacy of the inspection reports provided by the GRANTEE and to monitor all activities undertaken by this grant. The GRANTOR will notify the GRANTEE of any inadequacies which are detected during the GRANTOR's review of the inspection reports or during monitoring visits. The GRANTEE will have the responsibility to make any necessary corrections to resolve any findings.

ARTICLE 7. FAILURE TO COMPLETE THE PROJECT

Failure to complete the project in accordance with this Grant Agreement or to show evidence of completion may result in, at the GRANTOR's discretion, the GRANTOR's filing a lien on the project and/or obtaining title to the property to protect the GRANTOR's interest, or in the GRANTOR withholding the balance of the grant amount.

ARTICLE 8. OPERATION, MAINTENANCE AND SECURITY OF PROJECT

The GRANTOR shall not be responsible for the operation, maintenance and/or security of the project during or after its completion.

ATTACHMENT C

FINANCIAL PROVISIONS

ARTICLE 1. TOTAL GRANT AMOUNT

In full consideration of the GRANTEE's satisfactory performance of the tasks stated in Attachment B, and in accordance with other conditions of this grant agreement, the GRANTOR shall pay on a reimbursable basis to the GRANTEE a sum not exceed five hundred thousand dollars, based on the schedule identified below in Article 3 (Budget Schedule).

ARTICLE 2. TASKS REQUIRED PRIOR TO INITIAL DISBURSEMENTS

Prior to any payments being made under this Agreement, the GRANTEE shall provide the following:

- A. Evidence of all applicable licenses, including a current business license, if required by law to have a business license;
- B. When requesting a funds disbursement, verifiable paid invoices for goods or services must be submitted at least equal to the amount requested;
- C. Bonding and insurance requirements as specified in Attachment A, Article 22 (Insurance);
- D. A Work Plan as specified in Attachment B, Article 3 (Tasks Required Prior to First Disbursement);
- E. Evidence of the commitment (approval) of at least 50% cost share match of project cost from a source or sources besides the grant provided in this agreement.

ARTICLE 3. BUDGET SCHEDULE

The GRANTEE shall use grant funds only for direct costs associated with eligible budget categories as identified in the approved work plan based on Attachment B, Article 1 (Purpose). The budgeted costs associated with the work items to be completed with grant funds, as identified in the approved work plan, are as follows:

<u>Budget Categories</u>	<u>Denali Commission Funds</u>	<u>FCSA</u>	<u>Other Funds</u>	<u>Total Budgeted</u>
Land	\$220,000			\$220,000
Environmental Study	\$4,000			\$4,000
Architectural Design	\$200,000			\$200,000
Architectural Contract	\$30,000			\$30,000
Permitting & Fees	\$46,000	\$25,000		\$71,000
Construction Cost		\$2,200,420	\$600,000	\$2,800,420
Estimating & Inflation Cost		\$308,046		\$308,046
Construction contingency		\$127,675		\$127,675
Total Project Cost	\$500,000	\$2,661,141		\$3,761,141

The GRANTOR shall not be obligated to disburse grant funds in excess of the Budgeted Cost for each activity identified above. Grant funds which are not needed to satisfy obligations associated with an above identified budgeted activity may be used to pay for the cost associated with other above identified activities, or for other eligible activities, as approved in writing by the GRANTOR.

ARTICLE 4. PAYMENTS

Payment requests should be sent to the attention of the Department of Health and Social Services Program Administrator identified in the Grant Agreement, utilizing the Funds Disbursement Request form J and the Financial Report form I.

ARTICLE 5. RETAINAGE AMOUNT

The GRANTOR will retain an amount equal to approximately ten percent (10%) of the total grant amount pending receipt and approval by GRANTOR of the Final Cost Certification and any other final reports required under Attachment B, Article 5 (Report Requirements). In addition, the retainage amount may be increased by the GRANTOR. Upon approval of the Final Cost Certification and other final reports required under Attachment B, Article 5 (Report Requirements), GRANTOR will disburse the retainage amount, in accordance with Attachment C, Article 4 (Payments). Any unexpended grant funds which remain undisbursed upon completion of the project, approval of the Final Cost Certification, and payment of all eligible costs, shall be retained by the GRANTOR.



ARTICLE 6. DEPOSITS AND INTEREST INCOME

Payments resulting from this agreement shall be used by the GRANTEE for the project and for no other purpose without prior written approval of the GRANTOR.

Any interest income that may be earned by the GRANTEE from grant funds provided to the GRANTEE by the GRANTOR remains the property of the GRANTOR. Interest income earned, if any, shall be deducted from the final ten percent (10%) retainage fee. The retainage amount shall be increased commensurate with any interest earned exceeding ten percent (10%) of the total grant amount, as evidenced by data supplied as part of the quarterly reports required under Attachment B, Article 5 (Report Requirements).

ARTICLE 7. FUNDING SOURCE RESTRICTION

Funds provided to the GRANTEE by the GRANTOR under this Grant Agreement may only be used for eligible activities as identified in Attachment B, Scope of Work, or other eligible expenses, as approved in writing by the GRANTOR.

Attachment D

AUDIT REQUIREMENTS

FEDERAL REQUIREMENTS

For fiscal years ending after December 31, 2003, if you expend \$500,000 or more total Federal Financial Assistance in your fiscal year, you may be required to comply with conditions of the Single Audit Act of 1984, P.L. 98-502, as amended by the Single Audit Act Amendments of 1996, P.L. 104-156, and defined in OMB Circular A-133.

STATE REQUIREMENTS -- CHAPTER 045 GRANT ADMINISTRATION

If you expend \$300,000 or more total State Financial Assistance in your fiscal year, you are required to comply with the conditions of Alaska Administrative Code, 2 AAC 45.010-090. The current regulations may be viewed at the State of Alaska, Department of Law website, <http://www.law.state.ak.us/>, or copies may be obtained from the State agency issuing the solicitation to which this statement is attached.

Information on compliance with the State and Federal Single Audit Acts may be obtained from, and audits completed in compliance with the Acts must be submitted to:

State Single Audit Coordinator
Office of the Governor
Office of Management and Budget
P.O. Box 110020
Juneau, AK 99811-0020
Telephone: (907) 465-4660
Fax: (907) 465-2090

Attachment E

CIVIL RIGHTS OF CLIENTS AND STAFF

- (a) The Grantee shall comply with Titles VI and VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990 (PL 101-336); Civil Rights Act of 1991; Administrative Order No. 129; the Food Stamp Act of 1977, Alaska Statutes, Sections 18.80.280, pertinent portions of the Code of Federal Regulations (CFR), and the Department's Policy and Procedure 190-6 for implementation of the foregoing.

The Grantee shall make no distinction or discrimination against the client, recipient, applicant or beneficiary of the Department's federally and state assisted programs on the basis of race, color, age, national origin, sex, political belief, religious creed, or disability. No client, recipient, applicant or beneficiary of these federally assisted programs shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Department has responsibility.

- (b) Distinction on the grounds of race, color, age, national origin, sex, political belief, religious creed, or disability includes:
1. Any type of segregation, separate or different treatment, or other discrimination on that ground; other than as provided under (a) above.
 2. The imposition of any admission, enrollment, quota eligibility, or other requirement or condition which individuals must meet in order to be provided any service or other benefit under the program or to be afforded an opportunity to participate in the program if the race, color, age, national origin, sex, political belief, religious creed, or disability of individuals is considered in determining whether they meet any such requirement or condition;
 3. The use of membership in a group as basis for the selection of individuals for any purpose if, in selecting members of the group there is discrimination on the grounds of race, color, age, national origin, sex, political belief, religious creed, or disability.
 4. The assignment of personnel to provide services, or the assignment of times or places for the provision of services, on the basis of the race, color, age, national origin, sex, political belief, religious creed, or disability of the individual to be served.
- (c) The Grantee shall set up and operate internal information collection systems to provide necessary racial statistics for staff, clients, beneficiaries and/or participants. Records and reports shall be available for review by the Department, U.S.

Attachment E

Department of Health and Human Services and the U.S. Department of Agriculture, upon request.

- (d) The Grantee shall make available to beneficiaries, participants, and other interested persons information regarding the provisions of Titles VI and VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, Section 504 of the Rehabilitation Act of 1973, the Food Stamp Act of 1977, Alaska Statutes, Sections 18.80.200 -18.80.280, pertinent CFR, and the Department's Policy and Procedure 190-6 as well as its compliance with the Americans with Disabilities Act of 1990.
- (e) The Grantee shall inform and instruct staff members concerning obligations under Titles VI and VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, Section 504 of the Rehabilitation Act of 1973, the Food Stamp Act of 1977, the Americans with Disabilities Act of 1990, Alaska Statutes, Sections 18.80.200 - 18.80.280, pertinent CFR, and the Department's Policy and Procedure 190-6.
- (f) The Grantee shall comply with procedures furnished by the Department for processing of complaints alleging discrimination on the basis of race, color, age, national origin, sex, political belief, religious creed, or disability.

In determination of whether a Grantee is illegally discriminating in the provision of benefits or services, consideration shall be given to the purpose of the service as expressly stated in any Federal statute, State statute, or local statute or ordinance adopted by an elected general purpose legislative body. In making such determination it shall be acknowledged that certain Federal, State or local funding is legally designated for specific groups, by age, sex, disability, income, or other specific and legal eligibility criteria. For example, programs for the aging, blind, disabled and youth provide services legally only for those groups. Also, institutions may legally serve a special age, sex, or disability group depending upon their protective, treatment, or rehabilitative needs and funding sources to provide the services.

**Denali Commission Quarterly
Project Narrative and Funds Disbursement Request**

Project Name: _____

Agency: _____ Reporting Period: _____

Grant #: _____ Amount of Funds Requested \$ _____

1. What is the status of the project; include portions completed?

2. Is the project on schedule; if not, how will this be dealt with?

3. Is the project on budget; if not, how will this be dealt with?

4. Other comments/problems and solutions:

**Denali Commission
Quarterly Project Financial Report**

Project Name: _____

Agency: _____ Reporting Period: _____

Grant #: _____

Please include the following information:

(Use additional pages as necessary)

Budget Information:

1. The total project budget—Denali Commission and other funds combined
2. The total project expenditures as of the end of the most recent quarter
3. The total amount of Denali Commission funds committed to the project
4. The total expenditure of Denali Commission funds for the project as of the end of this reporting period
5. The percentage of expenditures to the total budget
6. Project Performance Analysis (use PPA form on page2 of 641)

Project Schedule:

Show the project schedule with milestone dates for design and construction.

Attachment G

**Denali Commission
Quarterly Project Financial Report
Project Performance Analysis (PPA) Form**

Project Name: _____

Agency: _____ Reporting Period: _____

Grant #: _____

NOTE: Include Denali Commission Grant Funds Only on this form.

Line Items:	Approved Budget:	Actual Cost to Date:	Scheduled Completion Date:	Actual Work Performed:
Totals:				

Signature: _____

Date: _____

Print Name and Title: _____

Form 641B

Attachment H

Denali Commission
Annual Labor Type, Residence, & Wage Report
Reporting Period: January 1st – December 31st
Report due within 15 days of the close of the reporting period.

Project Name: _____

Agency: _____ Grant #: _____

Position	Place of Primary Residence	Date of First Check	Date of Last Check	Rate of Pay Per Hour	Total Earnings from the Project to date:

Signature:

Date:

Print Name and Title:

Attachment I
ALASKA DEPARTMENT OF HEALTH & SOCIAL SERVICES
GRANT ASSURANCES

Applicants must indicate their intention to comply with all terms and conditions of the original Request for Proposals or Request for Letters of Interest, the terms and conditions of any grant awarded by the Department of Health and Social Services (DHSS), and with 7 AAC 78, Grant Regulations, as well as all applicable grant program statutes and regulations. The Applicant also gives assurance that it will provide or comply with the following:

- (1) Applicant declares and represents that it is a non-profit organization, or is otherwise eligible to receive a grant under 7 AAC 78.030.
- (2) The provision of workers' compensation insurance. The provision of comprehensive general liability insurance. The provision of liability insurance if automobiles are used for the purpose of this grant program. The provision of professional liability insurance when applicable to the services performed under the grant.
- (3) Compliance with the requirements of the Civil Rights Act of 1964, (42 U.S.C. 2000d).
- (4) Compliance with the requirements of the Americans with Disabilities Act, (42 U.S.C. 12101-12213).
- (5) Compliance with the Drug-Free Workplace Act of 1988, (42 U.S.C. 701-707).
- (6) OSHA regulations requiring protection of employees from blood borne pathogens and that the Department of Labor must be contacted directly with any questions.
- (7) Compliance with AS 18.220 and other federal and state laws and regulations preventing discriminatory employment practices.
- (8) Compliance with the Health Insurance Portability & Accountability Act of 1996, if applicable, and other federal and state requirements for safeguarding information, preserving confidentiality and for the secure transmission of all records, whether electronic or not, to DHSS. Any information about DHSS clients that is obtained or developed under grant funds is confidential. Client information cannot be released without the written authorization of DHSS, except as permitted by other state or federal law.
- (9) Agrees to use appropriate administrative, technical and physical safeguards to prevent the unauthorized use or disclosure of client information and to maintain the confidentiality, privacy and security of any information transmitted to DHSS until such information is received by DHSS.
- (10) Promptly notify DHSS of any suspected or actual breach of security, intrusion or unauthorized access, use or disclosure of DHSS client information. Take prompt corrective action to cure any deficiencies that result from breaches of security, intrusion or unauthorized access, use or disclosure of DHSS client information.
- (11) Provide state officials, or a third party contractor hired under 7 AAC 78.240, access to financial and program records of the grant project.
- (12) Maintenance of financial and program records for audit; and compliance with single audit regulations per 2 AAC 45 and applicable federal audit requirements.
- (13) Maintenance of records that relate directly to the care and treatment of a recipient of services for at least seven years following the termination of services to that recipient, in accordance with 7 AAC 78.250(b).
- (14) Transfer to DHSS, upon request, any care and treatment records that are being maintained following termination of services to a recipient, if DHSS determines that the records possess long-term retention value, in accordance with 7 AAC 78.250(c).
- (15) Ensuring that grant funds will not be used for lobbying or fund raising.
- (16) According to the terms of the Grant Agreement, and upon request of the DHSS, submission of fiscal reports, project narrative reports, project updates and other grant project reports, a final project report, and project data.
- (17) Per number 3 above, religious belief or affiliation cannot be either a requirement for service or a factor in the denial of service under these grants.
- (18) Require criminal screening of both paid and volunteer employees having supervisory or disciplinary power over children or dependent adults, to be completed and submitted within 45 days of hire, under the authority of 7 AAC 78.170 and AS 12.62.160(b)(10).

- (19) Compliance with AS 47.17.010 Child Protection and AS 47.24.010, Reports of Harm, including notification to employees of their responsibilities under that section to report harm to children and vulnerable adults.
- (20) Applicant gives its assurance that any publications, printed materials, or electronic media developed under the grant will give appropriate credit to Finance and Management Services, Alaska Department of Health and Social Services; and that any materials and media developed or property purchased with grant funds are the property of the State of Alaska, unless otherwise agreed to by both parties in the terms of the grant agreement
- (21) Applicants providing Medicaid reimbursable services will have a Medicaid Provider Number, or apply to obtain one, and seek Medicaid reimbursement for all eligible services.
- (22) Grantees providing residential and/or critical care services to clients of DHSS shall have an emergency response and recovery plan, approved by the agency's board of directors; that provides for safe evacuation, housing and continuing services in the event of flood, fire, earthquake, severe weather, prolonged loss of utilities, or other emergency that presents a threat to the health, life or safety of clients in their care.
- (23) Grantee has established purchasing practices and procedures for the use of grant funds that are compliant with 7 AAC 78.270; and agrees to the provisions of 7 AAC 78.280 in the management of property acquired with money received from the grant.

I, John W Regitano, Chief Executive Officer of, Family Centered Services of Alaska
(Printed Name of CEO) (Grant Applicant Agency Name)

hereby assure the Department of Health and Social Services that, should my organization receive funding for the Aurora Building Project grant program, it will comply with all assurances listed herein.
(Name of Grant Program)

[Signature] 5/22/06 Executive Director
(Signature) (Date) (Title)

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

FRANK H. MURKOWSKI, GOVERNOR

P.O. Box 110650
Juneau, AK 99811-0650
Phone: (907) 465-3082
Fax: (907) 465-2499

**OFFICE OF THE COMMISSIONER
FINANCE AND MANAGEMENT SERVICES**

Attachment J

CERTIFICATION OF COMPLIANCE WITH PURSHASING PRACTICES AND PROCEDURES

Dear Applicant,

The Department of Health & Social Services (DHSS) asks for certain documents to ensure grantee compliance with the DHSS grant regulations. Your Agency's Purchasing Practices and Procedures may be noncompliant with 7 AAC 78.270, which states:

7AAC 78.270. Purchasing practices and procedures.

"A grantee shall establish uniform purchasing practices and procedures that are approved by the department for the procurement of goods and services. The practices and procedures must provide that

(1) for a purchase of nonexpendable personal property, with a value of \$5,000 or more, or for the award of a contract or subcontract with a value of \$5,000 or more¹, the grantee will request, if feasible, at least three competitive price quotations from potential suppliers;

(2) the grantee will retain written records of price quotations in accordance with 7AAC 78.250 and will include in the written records

(A) specifications;

(B) the suppliers' names and addresses; and

(C) the prices quoted; and

(3) if obtaining competitive price quotations is not feasible, the grantee will document and retain a written record justifying not following a competitive process."

Although we do not expect you to amend your organization's overall purchasing procedures, we do seek assurance that your organization will comply with this regulation when utilizing Department grant money (as defined in 7 AAC 78.950), for the procurement of goods and services. If your organization agrees, please indicate below and sign and return this letter to the address in the Letterhead of this document.

Family Centered Services of Alaska
(Enter Name of Grant Applicant Organization or Grantee Organization)

agrees to conform to the purchasing practices and procedures as stated in Department of Health & Social Services Grant Regulation 7 AAC 78.270 when utilizing Department grant money for the procurement of goods or services.

John W Regitano Executive Director
Printed Name & Title of Authorized Grant Applicant or Grantee Representative

[Signature] Date 5/22/06
Signature of Authorized Grant Applicant or Grantee Representative

¹ See 7 AAC 78.180 Subcontracts, for other requirements pertaining to subcontracting for performance of an activity required by the grant project.

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER
FINANCE AND MANAGEMENT SERVICES

FRANK H. MURKOWSKI, GOVERNOR

P.O. Box 110650
Juneau, AK 99811-0650
Phone: (907) 465-3082
Fax: (907) 465-2499

Attachment K

July 25, 2005

Re: Denali Commission Grant Funds

Dear Grantee:

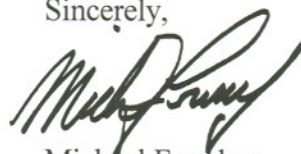
The Department of Health and Social Services has been notified by the Denali Commission that a break down of the total Project Expenditure Summary will be required of all Denali Commission grant award recipients for project close out. This information is required by the Federal Office of Management and Budget.

The total Project cost including all funds must be broken down utilizing the matrix below. Please forward this information directly at the time of close out of the award.

Freight:	\$0.00
Labor:	\$0.00
Materials:	\$0.00
Other:	\$0.00
Planning and Design:	\$0.00
Project Administration/Overhead	\$0.00
Total Expenditures for this project Denali Commission funds as well as other funds.	\$0.00

If you have any questions, please contact me at 465-3942.

Sincerely,



Michael Frawley
Grant Administrator

**Family Centered
Services of Alaska
Project
Narrative**



Project Summary

The goal of Family Centered Services of Alaska's (FCSA) construction project is to construct a new facility on land owned by FCSA so as to be able to consolidate all of our behavioral health/mental health services at one. The facility to be constructed will be located in Fairbanks Alaska. The total square footage of the facility will be 13,549 sq. ft and total cost of the project inclusive of the cost of the land \$3,761,141. Construction is scheduled to commence in May 2006, and to be completed December 2006.

All funding necessary for the project has been secured. A summary of contributors and contribution amounts for our revised project is the following.

a) FCSA Cash, Reserve Account	\$ 861,141
b) FCSA, bank loan	1,800,000
c) Denali Commission	500,000
d) Rasmuson Foundation	350,000
e) M. J. Murdock Charitable Trust	200,000
f) Alaska Mental Health Trust Authority	<u>50,000</u>
Total Project Funding Secured	\$3,761,141

The status of key elements of our project is the following:

- Two acres of land needed for the project has been secured.
- Architectural and programming design work has been completed.
- The facility has been designed to allow for future expansion if future needs warrant it.
- Independent project cost estimates have been completed.
- The sustainability projections submitted with our original application have been reviewed and re-confirmed.

The need identified in our application remains the same. The impact will be greatest at the regional level because FCSA is a primary provider of behavioral health services for the Interior and Northern Region of Alaska. Our project will directly benefit all children and families now served through our agency, and a significant number in our service area currently unable to receive service due to our present capacity limitations. Upon completion, our programs will have the ability to serve more consumers because our new facility will provide additional and more functional workspace and more cash resources that can be used to deliver more consumers services. The additional cash that will become available through our project, to expand services,

will be generated by trading costly rent and utility payments, currently approximately \$146,000 per year, for cheaper mortgage payments. Presently we have a waiting list for children and families wishing to receive service, so we know that the need exists. We also know that the need is greater than what is indicated from our information (waiting list) because greater needs have been identified in a number of community and state studies.

Our project will also improve consumer access to service by creating a single point of entry for consumers to receive service by combining mental health and substance abuse treatment now delivered at three locations at one central location. In the new facility, mental health care services for consumers will be provided in a more appropriate and functional setting than is now possible in any of FCSA's current, three program facilities. None of our present rented or leased facilities was designed for the delivery of mental health or other behavioral health services.

In closing, the need for our project is well documented and it will have a significant positive impact on children in the community of Fairbanks and the larger region we serve. Our project is also financially sound and when complete a high level of confidence can be placed in our suitability plan.

**Family Centered Services of Alaska
Construction Timeline
Behavioral Health Program Consolidation Project**

Event	Month	Notes
• Architect Contracted with for Final Drawings	Dec. 20, 2005	Complete
• Project Management Team Structure Finalized	March 3, 2006	Complete
• Project Manager Hired	April 8 th	Complete
• 75% Cost Estimate Issued	April 11 th	Complete
• Unstamped 100% Drawings Completed	April 13 th	Complete
• Utility (water, sewer, electric) permitting process started	April 14 th	Complete
• Construction Loan Paperwork Initiated	April 21 st	Complete
• Stamped 100% Drawings Completed	May 5 th	Complete
• Bidders Invitations Issued for Phase-1 Foundation	May 5 th	Complete
• Stamped Drawings submitted to City Building Office	May 8 th	Complete
• Bidders Conference for Phase-1	May 12 th	
• Foundation Permits Issued by City for Foundation	May 15 th	
• Phase-1 Bids Opened and Contractors Selected & Contracts Finalized	May 18 th	
• Foundation Work Begins	May 25 th	* June 19 th
• Bidders Invitations Issued for Phase-2 Framing/Enclosure/Mechanical	June 5 th	
• Bidders Conference Phase-2	June 9 th	
• Framing/Enclosure, Mechanical Permits Issued by City	June 15 th	
• Phase-2 Bids Opened and Contractors Selected & Contracts Finalized	June 16 th	
• Phase-2 Framing/Enclosure, Mechanical Work Begins	June 19 th	* Aug. 31 st
• Final Project Building Permits Issued By City	July 10 th	
• Bidders Invitations Issued for Phase-3, Interior Finish	July 14 th	
• Bidders Conference Phase-3	July 21 st	
• Phase-3 Bids Opened and Contractors Selected & Contracts Finalized	July 28 th	
• Phase-3 Work Begins	Aug. 25 th	* Nov. 25 th
• Substantial Completion	Nov. 25 th	
• Final Completion, Inspections and Occupancy Permit Issued	Dec. 15 th	
• Relocation of all Programs to New Facility to Start	Dec. 16 th	

Note: * Scheduled Completion Dates

Phase 1: June 19th
Phase 2: Aug. 31st
Phase 3: Nov. 25th

FCSA Facility Cost and Financing Plan
Prepared May 7, 2006

Project Cost Expenditures Categories	Final Estimate	Denali Commission	Family Centered Services of AK.	Rasmuson Foundation	Mental Health Trust	MJ Murdock Charitable Trust	Total
1 Land	\$ 220,000	\$ 220,000					\$ 220,000
2 Environmental Study	\$ 4,000	4,000					4,000
3 Architectural Design, Bid	\$ 200,000	200,000					200,000
4 Architectural Contract Management	\$ 30,000	30,000					30,000
5 Permitting & Inspection Fees	\$ 71,000	46,000	\$ 25,000				71,000
6 Construction Cost	\$ 2,800,420		2,200,420	\$ 350,000	\$ 50,000	\$ 200,000	2,800,420
7 Estimating & Inflation Contingency (1%	\$ 308,046		308,046				308,046
8 Construction contingency (4%)	\$ 127,675		127,675				127,675
Total Project Cost	\$ 3,761,141	\$ 500,000	\$ 2,661,141	\$ 350,000	\$ 50,000	\$ 200,000	\$3,761,141

Funding Sources

1 Denali Commission	\$ 500,000
2 Rasmuson Foundation	\$ 350,000
3 MJ Murdock Charitable Trust	\$ 200,000
4 Mental Health Trust	\$ 50,000
5 Other sources	\$ 450,000
6 FCSA Cash	\$ 861,141
7 FCSA Bank Loan	\$ 1,350,000
Total Revenue	\$ 3,761,141